DEPARTMENT OF WORKFORCE DEVELOPMENT DIVISION OF WORKFORCE SOLUTIONS ADMINISTRATOR'S MEMO SERIES

____ ACTION X NOTICE 05-06

ISSUE DATE: 05/02/2005 DISPOSAL DATE: 06/30/2007

*PROGRAM CATEGORIES:

____AS ___FM ___ML ___TR ___CC ___FL ___NA ___W-2 ___CS ___IT ___RA _X__WIA ___CF __JC ___TC ___CR __LM ___TA

To: WDA Directors

From: Bill Clingan /s/

Division Administrator

RE: WORKFORCE INVESTMENT ACT TITLE 1 PY05 ALLOCATIONS

PURPOSE: To transmit Workforce Investment Act (WIA) allocations to the Wisconsin Workforce Development Boards (WDB) for Program Year 2005.

BACKGROUND: PY05 WIA allocations are based on allotments from the U.S. Department of Labor to the State of Wisconsin. Allotments were published in Federal Register Part III, dated March 25, 2005. Wisconsin received decreases of -7.45% for the Adult program, -7.31% for the Youth program, and -4.78% for the Dislocated Workers program.

Eighty-five (85%) percent of the Youth and Adult allotments, and sixty percent (60%) of the Dislocated Worker allotment have been allocated to WDBs. The Allocation methods used are the same as those used in prior years. Data elements were updated as necessary to reflect current data for all variables.

For the Dislocated Worker formula, it was necessary to use NAICS (North American Industry Classification System) data for the declining industry factor. SIC (Standard Industry Classification) codes are no longer available for use in this factor. This necessitated a change in the benchmark year used to calculate the share of employment in declining industries.

The allocation shares for Youth and Adult programs are adjusted for a 90% "hold harmless" based on the average of the allocation shares for PY03 and PY04. Dislocated Worker shares

* PROGRAM CATEGORIES:

AS--Apprenticeship FM--Financial Management

Standards Requirements
-Child Care FL--Foreign Labor Certification

CC--Child Care FL--Foreign Labor C CS--Child Support IT--IT Systems CF--Children First JC--Job Center

CR--Civil Rights LM--Labor Market Information

ML--Migrant Labor NA--Native American Services

RA--Refugee Assistance TC--Tax Credit Programs TA--Trade Assistance TR--Transportation W-2--Wisconsin Works WIA--Workforce Investment Act are adjusted for an 85% hold harmless based on allocation shares of the prior year. Hold harmless is not based on the total amount of funding received in the past.

For a description of the allocation formula, refer to WIA Sec. 128 (youth) and Sec. 133 (Adults and Dislocated Workers).

ACTION SUMMARY STATEMENT: WDBs should budget or plan PY05 WIA programs by using the allocations in attachment.

A WDB may transfer not more than 20% of the funds allocated to its local area between Adult and Dislocated Workers activities but must obtain prior approval from DWD for any fund transfers. Youth activity grants may not transfer funds into or out of its grant.

DWD will issue grant agreements that reflect the attached allocations to WDB in near future.

CONTACT: If you have any questions about the allocations, please feel free to contact Nancy Eilks at (608) 266-9405, nancy.eilks@dwd.state.wi.us or Mona Hou at (608) 264-6818, mona.hou@dwd.state.wi.us.

Attachment: Worksheet of Allocations